

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2831 – SB 2931

March 2, 2010

SUMMARY OF BILL: Requires each contractor with a health care provider for the delivery of health care services to have a procedure in place for a provider's claims that are denied or partially denied or recouped to undergo, at the discretion of the health care provider, an internal reconsideration and an independent review process. If a contractor does not meet the proposed timeframes, the dispute shall be deemed to be resolved in favor of the health care provider and the contractor must remit the total amount of the disputed claim within 20 calendar days. Authorizes a health care provider to submit a written request for an independent review within one year if a contractor issues a final reconsideration decision upholding the total or partial denial or recoupment of a claim or limits total recovery of the amount of the claim in anyway. Any dispute between a provider and a contractor as to whether disputed claims are properly aggregated will be resolved by the Commissioner of Commerce and Insurance. Establishes the timeframes and guidelines within which the independent reviewer must submit a decision. Authorizes either party to the dispute to file suit in any court of appropriate jurisdiction within 60 days of the independent reviewer's decision for a review of the decision and to recover any funds awarded by the independent reviewer. All costs associated with an independent review shall be paid by the contractor. If the independent reviewer finds in favor of the contractor, the provider must reimburse the contractor for the cost.

Requires the Commissioner of Commerce and Insurance to maintain a list of qualified independent reviewers to resolve disputed health care provider claims, develop criteria for a independent reviewer to be considered qualified, and develop a conflict of interest statement form. Prohibits an independent reviewer from subcontracting any responsibilities included within the provisions of the bill to another independent reviewer and prohibits any compensation paid to an independent reviewer from being tied to the outcome of any independent review performed. Requires each contractor to report to the Commissioner of Commerce and Insurance the number of requests for independent review filed during the previous year. The provisions of the bill do not apply to a contract between a health care provider and TennCare.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Assumptions:

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- The Department of Commerce and Insurance will promulgate rules to set criteria for determining qualified independent reviewers and maintain a list of the independent reviewers deemed qualified, and ensure the absence of any conflicts of interest.
- The Department will ensure compliance with the provisions of the bill through the investigations of complaints received from health care providers, contractors, and independent reviewers.
- Any cost incurred by the Department will not be significant and can be accommodated within existing resources without an increased appropriation or reduced reversion.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/kml